

AMENDED IN ASSEMBLY MAY 26, 2006

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2788**

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**Introduced by Assembly Member Arambula**

February 24, 2006

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An act to add and repeal Section 44123 of the Health and Safety Code, relating to vehicular air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 2788, as amended, Arambula. Vehicle air pollution: Voluntary Accelerated Vehicle Retirement Program.

Existing law establishes the accelerated light-duty vehicle retirement program, a statewide program that provides for the creation, exchange, use, and retirement of light-duty vehicle mobile source emission reduction credits. The program is administered by the State Air Resources Board. Under state board regulations, the maximum credit cannot be any greater than the calculated emission reduction and the life of emission reduction credits is 3 years.

This bill would revise the method of calculation of those credits in the San Joaquin Valley Air Pollution Control District. The bill would only apply to operating motor vehicles of model-year ~~1985~~ 1991 or older registered in the district for 3 years, with a history of one failed smog check, that are, when retired, at least 60 days from the next required smog check. The credits authorized under this bill would not be marketable. The bill would require, for years 1, ~~3,~~ and ~~5,~~ 3 of the life of the credit, the amount of the emission reduction to be the difference between the retired vehicle's actual emission level and the replacement vehicle's actual emission level. For ~~years year 2 and 4,~~ the amount of the emission reduction would be the difference between

the retired vehicle's maximum allowable emissions and the emission level of the actual replacement vehicle.

This bill would also authorize specified reimbursements for low-income participants who retire either a gross polluting or high polluting vehicle, as prescribed. *The bill would require the district to collect and maintain certain information relating to the program, and, on or before June 1, 2009, to prepare and submit to the Legislature a report on the program.*

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. The Legislature finds and declares all of the  
2 following:

3 (a) The purpose of the Voluntary Accelerated Vehicle  
4 Retirement Program is to achieve reductions in emissions from  
5 vehicular sources. The program provides monetary incentives to  
6 remove older higher polluting vehicles from the roads to reduce  
7 mobile sources of oxides of nitrogen, particulate matter and  
8 reactive organic gas emissions.

9 (b) Calculations of cost effectiveness of the program that do  
10 not provide fungible marketable emission reduction credits  
11 should better reflect the projected in-use emissions of each  
12 vehicle retired as well as the remaining useful life expectancy of  
13 each vehicle retired.

14 (c) A small percentage of automobiles cause a  
15 disproportionate and significant amount of the air pollution in  
16 California. The data ~~demonstrates~~ *indicates* that about 35 percent  
17 to 50 percent of total exhaust emissions *may* come from about 10  
18 percent of the vehicle population, which suggests that significant  
19 emissions reductions could be obtained from the repair or  
20 removal of these vehicles from the vehicle fleet. On average,  
21 older vehicles, which are 20 to 25 years old, inclusive, produce  
22 up to 30 times more emissions than newer vehicles. A gross  
23 polluting vehicle can produce up to 40 pounds of smog-forming  
24 vehicle emissions per year.

25 SEC. 2. Section 44123 is added to the Health and Safety  
26 Code, to read:

1 44123. (a) The San Joaquin Valley Air Pollution Control  
2 District may calculate emission reductions for purposes of this  
3 article as follows:

4 (1) The life of a credit shall be ~~five~~ *three* years.

5 (2) In years one, ~~three, and five of the five year~~ *and three of*  
6 *the three-year* period, the amount of emission reductions shall be  
7 the difference between the retired vehicle's actual emissions  
8 level and the replacement vehicle's actual emission level.

9 (3) In ~~years two and four~~ *year two*, the amount of emission  
10 reductions shall be the difference between the retired vehicle's  
11 maximum allowable emissions and the replacement vehicle's  
12 actual emissions level.

13 (b) No emission reductions generated under this section shall  
14 be used as marketable emission reduction credits or to offset any  
15 emissions reduction obligation of any person or entity.

16 (c) This section shall apply only to the San Joaquin Valley Air  
17 Pollution Control District.

18 (d) The implementation of this section shall be consistent with  
19 all the regulations found in Article 1 (commencing with Section  
20 2601) of Chapter 13 of Division 3 of Title 13 of the California  
21 Code of Regulations, except Section 2608.

22 (e) If funds are used pursuant to the Carl Moyer Memorial Air  
23 Quality Standards Attainment Program for the purposes of this  
24 article, eligible projects shall meet the cost-effectiveness per ton  
25 of covered emissions reduction requirements of Section 44283.

26 (f) The district may make ~~a two thousand dollar~~  
27 *reimbursement of up to and including two thousand dollars*  
28 *(\$2,000)* ~~reimbursement~~ to consumers who qualify as a  
29 low-income participant and retire a high emitter vehicle, as  
30 defined in Section 2601 of Title 13 of the California Code of  
31 Regulations, *and* who can subsequently document the  
32 replacement vehicle as being a low-emission vehicle as certified  
33 by the state board.

34 (g) The district may make ~~a four thousand dollar~~  
35 *reimbursement of up to and including four thousand dollars*  
36 *(\$4,000)* ~~reimbursement~~ to consumers who qualify as a  
37 low-income participant and retire a gross polluter vehicle, as  
38 defined by Section 2601 of Title 13 of the California Code of  
39 Regulations, *and* who can subsequently document the

1 replacement vehicle as being a low-emission vehicle as certified  
2 by the state board.

3 (h) To be eligible under this section, the *retired* vehicle shall  
4 be registered for three years in the San Joaquin Valley Air  
5 Pollution Control District.

6 (i) This section shall apply only to operating motor vehicles of  
7 model-year~~1985~~ 1991 or older, with a history of one failed smog  
8 check, that are, when retired, would not have been required to  
9 obtain a smog check inspection within the next 60 days from the  
10 next required smog check.

11 (j) *The district shall collect and maintain data documenting*  
12 *the characteristics of vehicles retired and emissions reduced*  
13 *through the program authorized under this section, and the cost*  
14 *of those reductions, and, on or before June 1, 2009, shall prepare*  
15 *and submit to the Legislature a report on the program's*  
16 *outcomes.*

17 (j)

18 (k) This section shall be repealed on January 1, 2012, unless a  
19 later enacted statute, that becomes operative on or before January  
20 1, 2012, deletes or extends that date.